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**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

-against-

**BRIAN N. LINES;
SCOTT G. S. LINES;
LOM (HOLDINGS) LTD.;
LINES OVERSEAS MANAGEMENT
LTD.;
LOM CAPITAL LTD.;
LOM SECURITIES (BERMUDA) LTD.;
LOM SECURITIES (CAYMAN) LTD.;
LOM SECURITIES (BAHAMAS) LTD.;
ANTHONY W. WILE;
ROBERT J. CHAPMAN;
WILLIAM TODD PEEVER;
PHILLIP JAMES CURTIS; AND
RYAN G. LEEDS,**

Defendants.

Index No. 07 CV 11387 (DLC)

**ANSWER OF DEFENDANT
BRIAN N. LINES
TO COMPLAINT**

TO: David Williams
Mark A. Adler
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Defendant Brian N. Lines (“Brian Lines”), by his undersigned attorneys, answers the Complaint in this action as follows:

1. Brian Lines denies the allegations in the first sentence of paragraph 1 of the Complaint; with respect to the second sentence of paragraph 1 of the Complaint, admits, upon information and belief, that Sedona Software Solutions, Inc. (“Sedona”) and SHEP Technologies, Inc. (“SHEP”) shares traded for a period of time on the Over-the-Counter Bulletin Board (“OTCBB”) but denies that Sedona shares traded on the OTCBB during all relevant times; and denies the allegations in the third sentence of paragraph 1 of the Complaint.

2. Brian Lines denies the allegations in paragraph 2 of the Complaint.

3. Brian Lines denies the allegations in paragraph 3 of the Complaint.

4. Brian Lines denies the allegations in paragraph 4 of the Complaint to the extent they pertain to Brian Lines and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 4 of the Complaint.

5. Brian Lines denies the allegations in paragraph 5 of the Complaint.

6. Brian Lines denies the allegations in paragraph 6 of the Complaint.

7. Brian Lines denies the allegations in paragraph 7 of the Complaint.

8. Brian Lines denies the allegations in paragraph 8 of the Complaint.

9. Brian Lines denies the allegations in paragraph 9 of the Complaint.

10. Brian Lines denies the allegations in paragraph 10 of the Complaint.

11. Brian Lines denies the allegations in paragraph 11 of the Complaint.

12. Brian Lines denies the allegations in paragraph 12 of the Complaint.

13. Brian Lines states that the allegations contained in paragraph 13 of the Complaint state legal or other conclusions that do not require a response.

14. Brian Lines states that the allegations contained in paragraph 14 of the Complaint state legal or other conclusions that do not require a response.

15. Brian Lines states that the allegations contained in paragraph 15 of the Complaint state legal or other conclusions that do not require a response.

16. Brian Lines denies the allegations in paragraph 16 to the extent that it is alleged that any conduct alleged against Brian Lines occurred in the Southern District of New York; except as so denied, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 16 of the Complaint; and states that the allegations in paragraph 16 of the Complaint state legal or other conclusions that do not require a response.

17. Brian Lines states that the allegations contained in paragraph 17 of the Complaint state legal or other conclusions that do not require a response.

18. Brian Lines admits the allegations contained in paragraph 18 of the Complaint.

19. Brian Lines admits the allegations contained in the first sentence of paragraph 19 of the Complaint; except as so admitted, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 19 of the Complaint.

20. Brian Lines denies the allegations in the first and second sentences of paragraph 20 and states that the remaining allegations contained in paragraph 20 of the Complaint state legal or other conclusions that do not require a response.

21. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 21 of the Complaint.

22. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 22 of the Complaint.

23. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 23 of the Complaint.

24. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 24 of the Complaint.

25. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 25 of the Complaint.

26. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 26 of the Complaint.

27. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 27 of the Complaint.

28. Brian Lines admits, upon information and belief, the allegations in the second and third sentences of paragraph 28 of the Complaint and denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraph 28 of the Complaint.

29. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 29 of the Complaint.

30. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 30 of the Complaint.

31. Brian Lines denies the allegations in paragraph 31 of the Complaint and states that the allegations contained in paragraph 31 of the Complaint state legal or other conclusions that do not require a response.

32. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 32 of the Complaint.

33. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 33 of the Complaint.

34. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 34 of the Complaint.

35. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 35 of the Complaint.

36. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 36 of the Complaint.

37. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 37 of the Complaint.

38. Brian Lines admits the allegations contained in 38 of the Complaint.

39. Brian Lines admits the allegations in paragraph 39 of the Complaint that representatives of Renaissance Mining Corporation, Inc. ("Renaissance") purported to have

signed a letter of intent with Central American Mine Holdings Limited (“CAMHL”) and refers the Court to that letter for its contents.

40. Brian Lines admits the allegations in paragraph 40 of the Complaint that representatives of Renaissance purported to have signed a letter of intent with CAMHL and refers the Court to that letter for its contents.

41. Brian Lines denies the allegations in paragraph 41 of the Complaint.

42. Brian Lines admits the allegations in paragraph 42 of the Complaint.

43. Brian Lines states that the allegations in the second sentence of paragraph 43 of the Complaint state legal or other conclusions that do not require a response and otherwise denies the allegations in paragraph 43 of the Complaint.

44. Brian Lines denies the allegations in paragraph 44 of the Complaint.

45. Brian Lines denies the allegations in paragraph 45 of the Complaint.

46. Brian Lines denies the allegations in paragraph 46 of the Complaint.

47. Brian Lines denies the allegations in paragraph 47 of the Complaint.

48. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 48 of the Complaint.

49. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 49 of the Complaint.

50. Brian Lines denies the allegations in paragraph 50 of the Complaint.

51. Brian Lines admits the allegations contained in paragraph 51 of the Complaint and states that the shares referred to in paragraph 51 of the Complaint were sent to Brian Lines to be held in escrow pending the closing of the Renaissance and Sedona closing.

52. Brian Lines denies the allegations in paragraph 52 of the Complaint.

53. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 53 of the Complaint, except denies the allegations in the last sentence of paragraph 53 of the Complaint.

54. Brian Lines admits that Largo Flight Ltd. ("Largo-Bahamas") was controlled by Brian and Scott Lines and denies the remaining allegations contained in paragraph 54 of the Complaint.

55. Brian Lines admits, upon information and belief, the allegations contained in paragraph 55 of the Complaint.

56. Brian Lines states that the allegations contained in paragraph 56 of the Complaint state legal or other conclusions that do not require a response.

57. Brian Lines states that the allegations contained in paragraph 57 of the Complaint state legal or other conclusions that do not require a response.

58. Brian Lines denies the allegations in paragraph 58 of the Complaint.

59. Brian Lines denies the allegations in paragraph 59 of the Complaint.

60. Brian Lines denies the allegations in paragraph 60 of the Complaint.

61. Brian Lines denies the allegations in paragraph 61 of the Complaint.

62. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 62 of the Complaint, except denies the allegations contained in paragraph 62 of the Complaint to the extent they allege conduct of Brian Lines.

63. Brian Lines admits, upon information and belief, that Renaissance issued a press release dated January 8, 2003 and refers the Court to that press release for its contents.

64. Brian Lines admits, upon information and belief, that Renaissance issued a press release dated January 8, 2003 and refers the Court to that press release for its contents; except as so admitted, denies the allegations contained in paragraph 64 of the Complaint.

65. Brian Lines admits, upon information and belief, that Renaissance issued a press release dated January 8, 2003 and refers the Court to that press release for its contents; except as so admitted, denies the allegations contained in paragraph 65 of the Complaint.

66. Brian Lines admits, upon information and belief, that Renaissance issued a press release dated January 8, 2003 and refers the Court to that press release for its contents; denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 66 of the Complaint regarding Renaissance's website; and otherwise denies the allegations contained in paragraph 66 of the Complaint.

67. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 67 of the Complaint.

68. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 68 of the Complaint, except denies the allegations that the press release dated January 8, 2003 was materially false and misleading.

69. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 69 of the Complaint.

70. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 70 of the Complaint.

71. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 71 of the Complaint, except admits that Brian Lines received an e-mail dated January 2, 2003 from Anthony W. Wile (“Wile”) and refers the Court to that e-mail for its contents, and denies that he read the January 2, 2003 e-mail at the time.

72. Brian Lines denies the allegations in paragraph 72 of the Complaint.

73. Brian Lines admits, upon information and belief, that Wile and Renaissance issued a press release dated January 17, 2003 and refers the Court to that press release for its contents.

74. Brian Lines denies knowledge or information sufficient to form a belief as to whether the January 17, 2003 press release was posted on a website, and refers the Court to that press release for its contents; and otherwise denies the allegations in paragraph 74 of the Complaint.

75. Brian Lines admits, upon information and belief, that Renaissance issued a press release dated January 17, 2003 and refers the Court to that press release for its contents; except as so admitted, denies the allegations in paragraph 75 of the Complaint.

76. Brian Lines admits, upon information and belief, that Renaissance issued a press release dated January 17, 2003 and refers the Court to that press release for its contents; except as so admitted, denies the allegations in paragraph 76 of the Complaint.

77. Brian Lines denies the allegations in paragraph 77 of the Complaint, except denies knowledge or information sufficient to form a belief as to who drafted the January 17, 2003 press release.

78. Brian Lines denies the allegations in paragraph 78 of the Complaint.

79. Brian Lines denies the allegations in paragraph 79 of the Complaint.

80. Brian Lines admits, upon information and belief, that Renaissance issued a press release dated January 21, 2003 and refers the Court to that press release for its contents; except as so admitted, denies knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 80 of the Complaint.

81. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 81 of the Complaint, and states that paragraph 81 of the Complaint states legal or other conclusions that do not require a response.

82. Brian Lines states that paragraph 82 of the Complaint states legal or other conclusions that do not require a response, and otherwise denies the allegations in paragraph 82 of the Complaint.

83. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 83 of the Complaint.

84. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 84 of the Complaint.

85. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 85 of the Complaint.

86. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 86 of the Complaint.

87. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 87 of the Complaint.

88. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 88 of the Complaint.

89. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 89 in the Complaint.

90. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 90 in the Complaint.

91. Brian Lines denies the allegations in paragraph 91 in the Complaint, except admits that Brian Lines received an e-mail from Wile on or about January 21, 2003 and refers the Court to that e-mail for its contents.

92. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 92 of the Complaint.

93. Brian Lines denies the allegations in paragraph 93 of the Complaint, except admits that Brian Lines received an e-mail on January 21, 2003 from Wile and refers the Court to that e-mail for its contents.

94. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 94 of the Complaint.

95. Brian Lines admits the allegations contained in paragraph 95 of the Complaint, except denies that Renaissance's Offering (as defined in the Complaint) became effective.

96. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 96 of the Complaint.

97. Brian Lines admits that Renaissance prepared a draft Offering Memorandum and refers the Court to that Offering Memorandum for its contents; except as so admitted, denies the allegations in paragraph 97 of the Complaint.

98. Brian Lines denies the allegations in paragraph 98 of the Complaint.

99. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 99 of the Complaint.

100. Brian Lines denies the allegations in paragraph 100 of the Complaint.

101. Brian Lines denies the allegations in paragraph 101 of the Complaint.

102. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations concerning what Scott Lines told customers about Renaissance, and otherwise denies the allegations contained in paragraph 102 of the Complaint.

103. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 103 of the Complaint.

104. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 104 of the Complaint.

105. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 105 of the Complaint.

106. Brian Lines denies the allegations in paragraph 106 of the Complaint.

107. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 107 of the Complaint, except admits, upon information and belief, that Brian Lines had authorization to make trades and direct transactions into Broker-Dealer A.

108. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 108 of the Complaint.

109. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 109 of the Complaint.

110. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 110 of the Complaint.

111. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 111 of the Complaint.

112. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 112 of the Complaint.

113. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 113 of the Complaint.

114. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 114 of the Complaint, except denies, upon information and belief, that there was an artificial market for Sedona shares on January 21, 2003.

115. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 115 of the Complaint.

116. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 116 of the Complaint.

117. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 117 of the Complaint, except denies the allegations contained in paragraph 117 of the Complaint to the extent they allege conduct by Brian Lines.

118. Brian Lines denies the allegations in paragraph 118 of the Complaint.

119. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 119 of the Complaint.

120. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 120 of the Complaint.

121. Brian Lines denies the allegations in paragraph 121 of the Complaint.

122. Brian Lines denies the allegations in paragraph 122 of the Complaint.

123. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 123 of the Complaint.

124. Brian Lines denies the allegations in paragraph 124 of the Complaint.

125. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 125 of the Complaint.

126. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained the first sentence of paragraph 126 of the Complaint, and denies the allegations the second sentence of paragraph 126 of the Complaint.

127. Brian Lines denies the allegations in paragraph 127 of the Complaint.

128. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 128 of the Complaint.

129. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 129 of the Complaint, except admits, upon information and belief, that the Commission suspended trading in Sedona stock on or about January 29, 2003.

130. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 130 of the Complaint as to what Scott Lines knew or stated, and otherwise denies the allegations in paragraph 130 of the Complaint.

131. Brian Lines denies the allegations in paragraph 131 of the Complaint.

132. Brian Lines denies the allegations in paragraph 132 of the Complaint.

133. Brian Lines denies the allegations in paragraph 133 of the Complaint.

134. Brian Lines denies the allegations in paragraph 134 of the Complaint.

135. Brian Lines denies the allegations in paragraph 135 of the Complaint.

136. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 136 of the Complaint.

137. Brian Lines admits, upon information and belief, that a letter was sent to Renaissance on or about February 4, 2003 and refers the Court to that letter for its contents; except as so admitted, denies the allegations contained in paragraph 137 of the Complaint.

138. Brian Lines denies the allegations in paragraph 138 of the Complaint.

139. Brian Lines denies the allegations in paragraph 139 of the Complaint.

140. Brian Lines denies the allegations in paragraph 140 of the Complaint.

141. Brian Lines denies the allegations in paragraph 141 of the Complaint.

142. Brian Lines denies the allegations in paragraph 142 of the Complaint.

143. Brian Lines states that the allegations in paragraph 143 of the Complaint state legal or other conclusions that do not require a response.

144. Brian Lines denies the allegations in paragraph 144 of the Complaint.

145. Brian Lines denies the allegations in paragraph 145 of the Complaint.

146. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 146 of the Complaint.

147. Brian Lines denies the allegations in paragraph 147 of the Complaint.

148. Brian Lines denies the allegations in paragraph 148 of the Complaint.

149. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 149 of the Complaint.

150. Brian Lines denies the allegations in paragraph 150 of the Complaint.

151. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 151 of the Complaint.

152. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 152 of the Complaint.

153. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 153 of the Complaint.

154. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 154 of the Complaint.

155. Brian Lines denies the allegations in paragraph 155 of the Complaint.

156. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 156 of the Complaint.

157. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 157 of the Complaint.

158. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 158 of the Complaint.

159. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 159 of the Complaint.

160. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 160 of the Complaint.

161. Brian Lines denies the allegations in the first sentence of paragraph 161 of the Complaint, and denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in the second sentence of paragraph 161 of the Complaint.

162. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 162 of the Complaint.

163. Brian Lines denies the allegations in paragraph 163 of the Complaint.

164. Brian Lines denies the allegations in paragraph 164 of the Complaint.

165. Brian Lines denies the allegations in paragraph 165 of the Complaint.

166. Brian Lines denies the allegations in paragraph 166 of the Complaint.

167. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 167 of the Complaint.

168. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 168 of the Complaint.

169. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 169 of the Complaint.

170. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 170 of the Complaint.

171. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 171 of the Complaint.

172. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 172 of the Complaint.

173. Brian Lines denies the allegations in paragraph 173 of the Complaint to the extent they allege conduct by Brian Lines, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 173 of the Complaint.

174. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 174 of the Complaint.

175. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 175 of the Complaint.

176. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 176 of the Complaint.

177. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 177 of the Complaint.

178. Brian Lines denies the allegations in paragraph 178 of the Complaint, except states that the second sentence of paragraph 178 of the Complaint states legal or other conclusions that do not require a response.

179. Brian Lines denies the allegations in paragraph 179 of the Complaint.

180. Brian Lines denies the allegations in paragraph 180 of the Complaint to the extent they allege conduct by Brian Lines, and otherwise denies knowledge or information

sufficient to form a belief as to the truth of the allegations contained in paragraph 180 of the Complaint.

181. Brian Lines admits that he was authorized to direct certain trades through an LOM affiliate's account at Paragon Capital Markets, Inc. ("Paragon") and, upon information and belief, that he was a signatory on such account; except as so admitted, denies the allegations in paragraph 181 of the Complaint to the extent they allege conduct by Brian Lines.

182. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 182 of the Complaint.

183. Brian Lines denies the allegations in the second sentence of paragraph 183 of the Complaint and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 183 of the Complaint.

184. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 184 of the Complaint.

185. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 185 of the Complaint.

186. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 186 of the Complaint.

187. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 187 of the Complaint.

188. Brian Lines denies the allegations in paragraph 188 of the Complaint to the extent they allege conduct by Brian Lines, and otherwise denies knowledge or information

sufficient to form a belief as to the truth of the allegations contained in paragraph 188 of the Complaint.

189. Brian Lines denies the allegations in paragraph 189 of the Complaint.

190. Brian Lines denies the allegations in paragraph 190 of the Complaint.

191. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 191 of the Complaint.

192. Brian Lines denies the allegations in paragraph 192 of the Complaint.

193. Brian Lines denies the allegations in paragraph 193 of the Complaint.

194. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 194 of the Complaint.

195. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 195 of the Complaint.

196. Brian Lines denies the allegations in paragraph 196 of the Complaint.

197. Brian Lines denies the allegations in paragraph 197 of the Complaint.

FIRST CLAIM

198. Brian Lines realleges as if fully set forth each and every response in its Answer to the allegations in paragraphs 1 through 197 of the Complaint.

199. Brian Lines denies the allegations in paragraph 199 of the Complaint to the extent they allege conduct by Brian Lines, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 199 of the Complaint.

200. Brian Lines states that paragraph 200 of the Complaint states legal or other conclusions that do not require a response.

201. Brian Lines states that paragraph 201 of the Complaint states legal or other conclusions that do not require a response.

SECOND CLAIM

202. Brian Lines realleges as if fully set forth each and every response in its Answer to the allegations in paragraphs 1 through 201 of the Complaint.

203. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 203 of the Complaint.

204. Brian Lines states that paragraph 204 of the Complaint states legal or other conclusions that do not require a response.

THIRD CLAIM

205. Brian Lines realleges as if fully set forth each and every response in its Answer to the allegations in paragraphs 1 through 204 of the Complaint.

206. Brian Lines denies the allegations in paragraph 206 of the Complaint to the extent they allege conduct by Brian Lines, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 206 of the Complaint.

207. Brian Lines states that paragraph 207 of the Complaint states legal or other conclusions that do not require a response.

FOURTH CLAIM

208. Brian Lines realleges as if fully set forth each and every response in its Answer to the allegations in paragraphs 1 through 207 of the Complaint.

209. Brian Lines denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 209 of the Complaint.

210. Brian Lines states that paragraph 210 of the Complaint states legal or other conclusions that do not require a response.

211. Brian Lines denies the allegations in paragraph 211 of the Complaint to the extent they allege conduct by Brian Lines, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 211 of the Complaint.

212. Brian Lines states that paragraph 212 of the Complaint states legal or other conclusions that do not require a response.

FIFTH CLAIM

213. Brian Lines realleges as if fully set forth each and every response in its Answer to the allegations in paragraphs 1 through 212 of the Complaint.

214. Brian Lines states that paragraph 214 of the Complaint states legal or other conclusions that do not require a response.

215. Brian Lines states that paragraph 215 of the Complaint states legal or other conclusions that do not require a response.

216. Brian Lines states that paragraph 216 of the Complaint states legal or other conclusions that do not require a response.

SIXTH CLAIM

217. Brian Lines realleges as if fully set forth each and every response in its Answer to the allegations in paragraphs 1 through 216 of the Complaint.

218. Brian Lines states that paragraph 218 of the Complaint states legal or other conclusions that do not require a response.

219. Brian Lines states that paragraph 219 of the Complaint states legal or other conclusions that do not require a response.

220. Brian Lines states that paragraph 220 of the Complaint states legal or other conclusions that do not require a response.

SEVENTH CLAIM

221. Brian Lines realleges as if fully set forth each and every response in its Answer to the allegations in paragraphs 1 through 220 of the Complaint.

222. Brian Lines states that paragraph 222 of the Complaint states legal or other conclusions that do not require a response.

223. Brian Lines states that paragraph 223 of the Complaint states legal or other conclusions that do not require a response.

EIGHTH CLAIM

224. Brian Lines realleges as if fully set forth each and every response in its Answer to the allegations in paragraphs 1 through 223 of the Complaint.

225. Brian Lines states that paragraph 225 of the Complaint states legal or other conclusions that do not require a response.

226. Brian Lines states that paragraph 226 of the Complaint states legal or other conclusions that do not require a response.

NINTH CLAIM

227. Brian Lines realleges as if fully set forth each and every response in its Answer to the allegations in paragraphs 1 through 226 of the Complaint.

228. Brian Lines states that paragraph 228 of the Complaint states legal or other conclusions that do not require a response.

229. Brian Lines states that paragraph 229 of the Complaint states legal or other conclusions that do not require a response.

TENTH CLAIM

230. Brian Lines realleges as if fully set forth each and every response in its Answer to the allegations in paragraphs 1 through 229 of the Complaint.

231. Brian Lines states that paragraph 231 of the Complaint states legal or other conclusions that do not require a response.

232. Brian Lines states that paragraph 232 of the Complaint states legal or other conclusions that do not require a response.

233. Brian Lines states that paragraph 233 of the Complaint states legal or other conclusions that do not require a response.

234. Brian Lines states that paragraph 234 of the Complaint states legal or other conclusions that do not require a response.

ELEVENTH CLAIM

235. Brian Lines realleges as if fully set forth each and every response in its Answer to the allegations in paragraphs 1 through 234 of the Complaint.

236. Brian Lines states that paragraph 236 of the Complaint states legal or other conclusions that do not require a response.

237. Brian Lines states that paragraph 237 of the Complaint states legal or other conclusions that do not require a response.

238. Brian Lines states that paragraph 238 of the Complaint states legal or other conclusions that do not require a response.

TWELFTH CLAIM

239. Brian Lines realleges as if fully set forth each and every response in its Answer to the allegations in paragraphs 1 through 238 of the Complaint.

240. Brian Lines states that paragraph 240 of the Complaint states legal or other conclusions that do not require a response.

241. Brian Lines states that paragraph 241 of the Complaint states legal or other conclusions that do not require a response.

THIRTEENTH CLAIM

242. Brian Lines realleges as if fully set forth each and every response in its Answer to the allegations in paragraphs 1 through 241 of the Complaint.

243. Brian Lines states that paragraph 243 of the Complaint states legal or other conclusions that do not require a response.

244. Brian Lines states that paragraph 244 of the Complaint states legal or other conclusions that do not require a response.

245. Brian Lines states that paragraph 245 of the Complaint states legal or other conclusions that do not require a response.

246. Brian Lines states that paragraph 246 of the Complaint states legal or other conclusions that do not require a response.

FOURTEENTH CLAIM

247. Brian Lines realleges as if fully set forth each and every response in its Answer to the allegations in paragraphs 1 through 246 of the Complaint.

248. Brian Lines states that paragraph 248 of the Complaint states legal or other conclusions that do not require a response.

249. Brian Lines states that paragraph 249 of the Complaint states legal or other conclusions that do not require a response.

250. Brian Lines states that paragraph 250 of the Complaint states legal or other conclusions that do not require a response.

FIFTEENTH CLAIM

251. Brian Lines realleges as if fully set forth each and every response in its Answer to the allegations in paragraphs 1 through 250 of the Complaint.

252. Brian Lines states that paragraph 252 of the Complaint states legal or other conclusions that do not require a response.

253. Brian Lines states that paragraph 253 of the Complaint states legal or other conclusions that do not require a response.

SIXTEENTH CLAIM

254. Brian Lines realleges as if fully set forth each and every response in its Answer to the allegations in paragraphs 1 through 253 of the Complaint.

255. Brian Lines states that paragraph 255 of the Complaint states legal or other conclusions that do not require a response.

256. Brian Lines states that paragraph 256 of the Complaint states legal or other conclusions that do not require a response.

257. Brian Lines states that paragraph 257 of the Complaint states legal or other conclusions that do not require a response.

258. Brian Lines states that paragraph 258 of the Complaint states legal or other conclusions that do not require a response.

AFFIRMATIVE DEFENSES

By way of further answer and defense to the Complaint, and without assuming the burden of proof of such defenses that would otherwise rest on plaintiff, Brian Lines alleges as follows:

FIRST AFFIRMATIVE DEFENSE

The Complaint fails to state a claim against Brian Lines upon which relief can be granted. The Commission has not alleged facts against Brian Lines sufficient to establish deceptive conduct, scienter, materiality and causation.

SECOND AFFIRMATIVE DEFENSE

The Complaint fails to plead with particularity fraud, scienter, the statements by Brian Lines alleged to be misleading and why such statements are misleading, as required.

THIRD AFFIRMATIVE DEFENSE

This Court lacks jurisdiction over the subject matter of the claims against Brian Lines and LOM, as there is no basis for extraterritorial application of the United States securities laws to a Bermuda-based financial services company, its subsidiaries and its former president on the facts alleged in the Complaint.

FOURTH AFFIRMATIVE DEFENSE

This Court lacks personal jurisdiction over Brian Lines, who is a citizen of the United Kingdom and Bermuda. Brian Lines owns no property in the United States, conducts no business in the United States, has never lived in the United States, and has not visited the United States in the last several years.

FIFTH AFFIRMATIVE DEFENSE

The claims and remedies sought by the Commission in this action are barred because they violate Brian Lines' right to substantive due process.

SIXTH AFFIRMATIVE DEFENSE

Plaintiff's claims are barred, in whole or in part, by statute of limitation, 28 U.S.C. § 2462, and by the equitable doctrines of estoppel and laches.

SEVENTH AFFIRMATIVE DEFENSE

The legal or proximate cause of the harm alleged by the Commission with respect to the trading in Sedona and SHEP shares was not caused by Brian Lines' conduct, or alleged misrepresentations or omissions of material facts, or other alleged violations of law. Any decline

in price or value, or any other alleged injury sustained by any party was not caused, directly or indirectly, by Brian Lines, did not result from any alleged misstatement for which Brian Lines was or can be legally found to be responsible or liable, and/or was caused by events or other independent intervening or superseding causes unrelated to the allegations in the Complaint related to Brian Lines, including the Commission's own precipitous suspension in trading of the shares of Sedona.

EIGHTH AFFIRMATIVE DEFENSE

The Commission's claims are barred under the doctrines of laches, unclean hands, and by the Commission's inequitable conduct, lack of diligence, delay and inattention in pursuing such claims, and by the Commission's violations of the rules of professional conduct of attorneys and violations of Bermuda rules, regulations and court orders.

NINTH AFFIRMATIVE DEFENSE

The subject securities transactions were exempt from any requirement of registration under Exchange Act Rule 15a-6.

TENTH AFFIRMATIVE DEFENSE

The subject securities transactions were exempt from Section 5 of the Securities Act under Section 4(1), Section 4(2), and Regulation D promulgated thereunder.

JURY DEMAND

Brian Lines demands trial by jury on all issues so triable.

PRAYER

WHEREFORE, Brian Lines prays for the following relief:

1. For judgment dismissing the Complaint with prejudice;

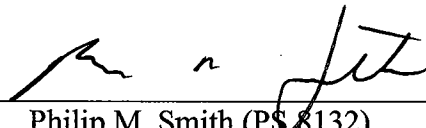
2. For judgment against plaintiff, awarding such reasonable costs and expenses incurred by Brian Lines in defending this action, including reasonable attorneys' and experts' fees.
3. Such further relief as the Court deems just.

Dated: May 16, 2008

PATTON BOGGS LLP

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